

STRENGTHENING OUR FOUNDATION



2023 Annual Report



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MESSAGE FROM THE PRESIDENT AND THE CHAIRMAN OF THE BOARD



Strengthening our foundation

To ensure the responsible development of our air service and airport infrastructure, the team at Québec City Jean Lesage International Airport (YQB) must maintain a solid foundation. This requires a sustainable financial situation, safe infrastructure capable of welcoming future generations in significant numbers, and finally, diversified, high-quality services that meet the needs of the people of the Québec City area and all of Eastern Québec.

Since the pandemic completely altered our environment, the only way to stand out from the crowd is to redouble our efforts, plan ahead, and avoid setbacks.

We weathered the storm of the pandemic with unexpected vigour and tackled the significant upturn in air traffic in 2022 with agility and efficiency, all because we are fuelled by excellence.

YQB's financial health continues to improve. We're on the verge of returning to profitability—a feat in itself. What's more, good news abound regarding our service offering, and our infrastructure maintenance projects are proceeding exactly as planned, despite the inherent complexity of an airport environment.

As we look back over the past year, we realize just how privileged we are to be at the helm of such a high-performing organization, which is growing thanks to the strength and expertise of an incredibly agile, competent team entirely dedicated to making YQB a source of regional pride. This team inspires confidence.

We would also like to highlight the remarkable contributions of the members of our Board of Directors, who ensure the sound governance of our airport. Whether it's through their commitment to the values of our organization or their sincere desire to build a bright future for YQB, they have all contributed to the success of our organization.

An unstable environment

While we still have big ambitions for our airport and believe in its great potential, we must acknowledge the extent of our challenges: inflation in recent years, an uncertain economy, and a pilot shortage that isn't going away any time soon.

Far from giving up, we view this changing and challenging reality as an opportunity to innovate and expand our market.

YQB must contend with this unstable environment and plan ahead by setting the right course. We look to the future with enlightened optimism.

Renewed synergy

How are we able to go the extra mile? We have the massive and invaluable support of our community. In this respect, we will continue to rely on teamwork and the region's strengths to support sustainable growth. That's where our successes lie.

We have worked hard to create a culture of collaboration, both internally and externally, that encourages us to focus on common goals. As a result of this leadership, relations with our employees and the community have never been stronger. Of course, our success must extend to all our stakeholders and, at the same time, positively impact the region's economy.

No matter what role our teams and stakeholders play, everyone wants the airport to succeed. We're all working toward the same goals and we are deeply grateful for the support of our community.

An Expanded Map of Destinations

Thanks to this teamwork, we have completely transformed our air service over the past four years through the effort we have put into air development, our number one priority. We have invested in our relationships with airlines, which have added destinations and enhanced capacity and frequency

on many routes. We have even signed agreements with new carriers, including Air France, one of the world's largest carriers, and Flair Airlines, a low-cost carrier, diversifying the number of carriers and stimulating competition in our market, to the benefit of passengers.

Thanks to the arrival of new players, the increased number of flights to popular destinations, and our willingness to take risks on new destinations with long-standing partners, we have provided the population of the greater Québec City area and the entire eastern part of the province with access to an ever-increasing number of destinations from YQB.

We also took risks, investing time and effort to partner with companies on the other side of the planet. Last fall, four Korean Airlines charter flights and almost a thousand South Korean tourists visited our magnificent region. These visitors generated over a million dollars in economic benefits for businesses in Québec City and the rest of Québec, proving that collaboration and boldness produce results.

Increasing Customer Traffic

Thanks to these concerted efforts, we are also approaching pre-pandemic passenger traffic rates. This year, we have seen an impressive 43.8% increase in passenger traffic compared with 2022. A total of 1.68 million passengers passed through our doors in 2023, representing 94% of pre-pandemic traffic. In line with our 2020 forecasts, we will probably have to wait until 2025 for passenger traffic to return to pre-pandemic levels, with 2024 looking to be a stable year.

To secure the influx of passengers and optimize the flights offered out of Québec City, we continue to leverage our position as the "smallest of the great airports" with all the advantages that entails.



Approaching the break-even point

To be able to sustain our operations and seize every opportunity, the finances of our private not-for-profit company must be in good form.

Like many Canadian airports, YQB has had to resort to borrowing in recent years. The organization did this to ensure of sufficient cash flow to maintain essential services and to carry out necessary infrastructure projects, as outlined in its capital program, until it returns to profitability. If YQB finds itself in a solid position today, it's undoubtedly thanks to the vigilance and rigour of its team.

This rigorous and far-sighted financial management enabled YQB to approach the break-even point and limit losses to \$1.21 million in 2023, down from an estimated \$9.8 million. As for the total losses anticipated between now and the return to profitability, they are currently estimated at \$70 million.

During the year, we carefully studied possible financial scenarios based on passenger traffic forecasts, as well as capital investment plans, our obligations to our investors, and the constraints of our lease with Transport Canada. Like all Canadian airports, we're assessing any and all scenarios that could accelerate our growth and enable us to fully resume our role as a driver of socio-economic development.

Despite significantly increased costs due to inflation, we have made the strategic choice, for the seventh year in a row, not to increase airport improvement and general aviation fees at Québec City Jean Lesage International Airport in January 2024. We only increased aeronautical charges by 4%, thereby absorbing a part of the increase in costs associated with airport operations.

Additional Services

We continue to think big for YQB and are firmly committed to making our airport a strength for our region and for all of Québec. In 2023 we expanded our catering and service offering by working with local companies, such as Blaxton Pub & Grill, Minute Pizza, Expedibox, and Atikuss, to enhance the passenger experience.

Our concern for passenger well-being and our service quality were recognized in a review published in Protégez-Vous magazine, comparing 120 airports worldwide. Not only did YQB climb to sixth place in this ranking of the best airports, it also took first place in Canada. This well-deserved and unexpected recognition has instilled an invigorating sense of pride in our team.

Building on our success

Over the past year, we have delivered on a number of major projects, from ensuring the durability of our runways and taxiways to meeting our passengers' needs by creating more parking spaces.

Thanks to the foresight, rigour, and professionalism of our teams, YQB today benefits from exemplary infrastructure that is tailored to the market, comfortable, and, above all, safe.

We are constantly assessing the state of our facilities and the capacity required to support our operations effectively over a twenty-year period. Added to this is the information we gather on hundreds of systems and equipment to provide greater operational intelligence, efficiency, and predictability. This clear view of the state of our facilities enables us to target and better plan future projects, striking a balance between forecasts, needs, and required capacity.

To maintain our status and live up to our ambitions, our infrastructure will require major expenditures in the years ahead. This will also allow us to preserve our assets, meet our regulatory obligations, and keep pace with air traffic growth.

Looking Ahead to the Next Five Years

As we complete a strategic planning cycle, we can see that despite many obstacles, we have made significant progress since 2020. Working hand in hand with the region's driving forces and creating the winning conditions to improve air service and sustain our growth was the mission we aspired to every day.

Our gaze now turns to the future. As we begin our planning exercise for the next five years, we must bear in mind that we are laying the foundation for decades to come.

This major exercise will focus on third-party engagement and the pursuit of sustainable growth for the Québec City airport. We plan to hold more consultative meetings with YQB employees, regional stakeholders, and all our business partners. This strategic planning must continue to reflect regional ambitions, in line with the work begun over the last five years.

Québec City's geographic and demographic makeup demands we set ourselves apart with an unrivalled passenger experience and impeccable service. With our strengthened business intelligence and the enthusiasm of our community, we're in a much better position to face these challenges than we were five years ago. We're ready to move on to the next stage, building on a foundation that's growing stronger every day.

André Boulanger

Chairman of the Board of Directors

Stéphane Poirier

President and CEO

**WE CAN
SEE THAT
DESPITE
MANY
OBSTACLES,
WE HAVE MADE
SIGNIFICANT
PROGRESS
SINCE 2020.**

BOARD MEMBERS AS OF DECEMBER 31, 2023



ANDRÉ BOULLANGER
ICD.D, BASc, MAsc

Board Chair
Ex-officio Member
of All Committees
City of Québec
Board Member since 2019



Dr LYNE BOUCHARD
Ph. D, MBA, ICD.D, CGEIT

Vice Chair
Ex-officio Member
of All Committees
President, Gouv TI Et CA -
IT For Boards Inc.
Associate Professor,
Organizational Information
Systems Department,
Université Laval
Coopted
Board Member since 2020



ERIC BERGERON
Eng., M.Sc.

Risk management, Security
and Environment Committee
Member
Founder and CEO, Flyscan
Systems Inc.
Chambre de commerce
et d'industrie de Québec
Board Member since 2020



SOPHIE-EMMANUELLE CHEBIN
LL.L, MBA, ICD.D

Risk management, Security
and Environment Committee
Chair
Associate and co-founder,
Arsenal conseils, Governance
and strategic consulting
City of Lévis
Board Member since 2019



DIANE DERY
ASC

Planning and development
Committee Member
Corporate director
Chambre de commerce
et d'industrie de Québec
Board Member since 2019



JEAN-YVES GERMAIN

Planning and development
Committee Member
Co-Président, Groupe
Germain Hôtels
City of Québec
Board Member since 2019



MARJOLAINE GIASSON
CPA, MBA, ASC

Audit Committee Chair
Senior Vice President, CFO
La Maison Simons Inc.
Gouvernement du Canada
Board Member since 2019



VANESSA GRONDIN
P Eng., EMBA, ASC, C. Dir

Risk management, Security
and Environment Committee
Member
Corporate director
City of Québec
Board Member since 2023



Me JÉRÔME JOLICOEUR
Lawyer, LL.M.

Nominating, Governance and
Human Resources Committee
Member
General manager, Groupe
Commercial AMT inc.
Vice President, general
manager, Groupe immobilier
Tanguay inc.
Vice President, Resort hôtelier
Entourage sur-le-Lac
Chambre de commerce de Lévis
Board Member since 2021




MARTHE LACROIX
FICA, FCAS, ASC

Audit Committee Member
Corporate director
Chambre de commerce
et d'industrie de Québec
Board Member since 2021



MARTIN LAFRANCE
MBA

Planning and development
Committee Chair
Co-promoter, Festival Ville
de Lévis
Co-founder and Board Chair,
Evenma and Cyrex
Co-founder, UÉAT
Technologies Inc.
City of Lévis
Board Member since 2019



MAXIME LAVIOLETTE
MBA

Nominating, Governance and
Human Resources Committee
Chair
President and CEO, Dessercom
Coopted
Board Member since 2018



Me PIERRE RIVARD
ASC, Lawyer

Nominating, Governance and
Human Resources Committee
Member
Partner, Rivard Fournier
Avocats
Gouvernement de Québec
Board Member since 2020



THOM SKINNER
CPA

Audit Committee Member
Corporate director
Professor, accounting and
finance, PW Sims Business
Program - CEGEP Champlain
St. Lawrence
Lecturer, accounting and
finance at Laval University
Government of Canada
Board member since 2018



STÉPHANE POIRIER
MBA

President and CEO,
Aéroport de Québec inc.
Board member since 2019

MISSION

Offer quality, efficient and secure services and infrastructure capable of sustaining growth in air traffic to consolidate our role as a major socioeconomic force in the greater Québec City area

VISION

Make YQB an airport of choice that operates on a human scale and is as ambitious as its region, connected to the needs of its passengers and a source of pride for the entire population





VALUES

Integrity

We show a strong sense of ethics and duty, respect our commitments, demonstrate transparency and take responsibility for our decisions and actions.

Efficiency

We use our human, material, informational and financial resources judiciously to achieve our organizational objectives.

Collaboration

We promote teamwork and synergy within our organization and with all our stakeholders.

Customer care

We respond diligently and efficiently to the needs of our passengers, airlines, tenants and vendors.

2023 HIGHLIGHTS



BY THE NUMBERS

Open

24 hours
7 days a week
365 days a year



1,688,736

passengers
passed through
YQB in 2023

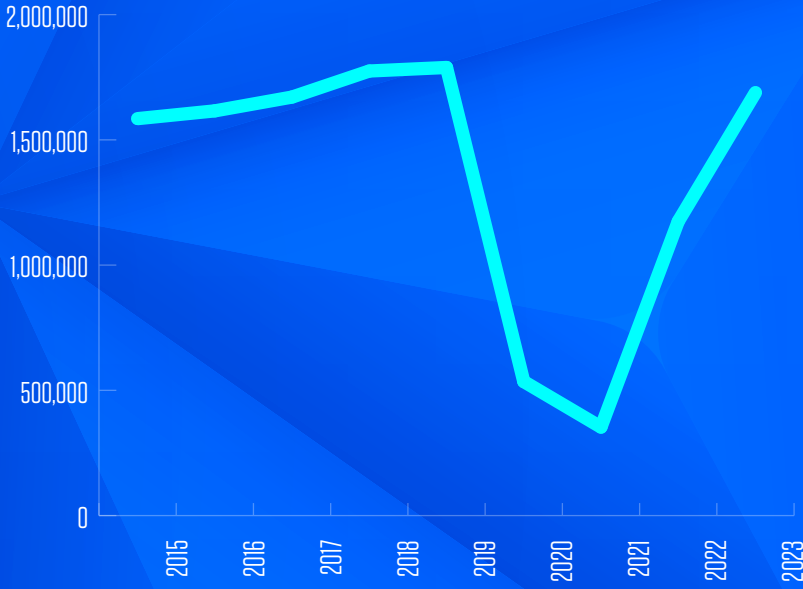
94% of 2019
passenger traffic

514,415 more passengers
than in 2022

Passengers travelling through YQB by month



Passengers travelling through YQB by year



37 DESTINATIONS



■ Seasonal destination
 ● Year-round destination
 ■ Destination offered in charter flights accessible to South Koreans

New destinations in 2023: Ottawa, Edmonton, Halifax, Cayo Largo and Seoul

12 airlines





YQB, A MAJOR ECONOMIC DEVELOPMENT LEVER

89% of Québec City area respondents to a recent Léger survey feel that Québec City Jean Lesage International Airport (YQB) is a major lever for their region's economic development.

Methodology

From February 21 to 22, 2024, Léger conducted an online survey of 501 French-speaking residents of the Québec City census metropolitan area (CMA). The maximum margin of error for a probability sample of 501 respondents is $\pm 4.38\%$, 19 times out of 20.

AN EXPANDED MAP OF DESTINATIONS

There were plenty of achievements to celebrate in 2023. With air service development as its number 1 priority, the team at Québec City Jean Lesage International Airport (YQB) worked with airlines and tourism industry partners to solidify its position as the airport of choice for people in the Québec City area and the eastern part of the province. YQB has been working hard to establish itself in its market by adding destinations, growing capacity, and increasing frequencies on numerous routes.

In May 2023, YQB and its partner Air France celebrated the return of the Québec City-Paris route for the second year in a row. These three weekly flights to Paris-Charles de Gaulle are a major boon for YQB and the region as a whole. The flights to the City of Light connect us to Air France's global network of over 200 destinations on every continent.

Canadian low-cost carrier Flair Airlines arrived at YQB in June, giving the people of Québec City and eastern Québec the chance to take advantage of its affordable flights and its network of over 35 cities across Canada, the United States, and Mexico for the summer. Québec City residents boarded Flair's first flight from Québec City to Halifax on June 8, 2023. The low-cost airline also began direct service to Edmonton on July 7, 2023.

In November, Flair announced that it would return to YQB in the summer of 2024, this time with service between Québec City and Toronto Pearson. Three flights a week will connect our region's population to Canada's largest city.





1 **May 31, 2023** – Air France celebrates the Québec City-Paris route’s return for the second year in a row with Bruno Marchand, Mayor of Québec City; Jean-Eudes de La Bretèche, Vice President and Country Manager, Canada for Air France-KLM; Stéphane Poirier, President and CEO of YQB; and Jonatan Julien, Minister responsible for Infrastructure and Minister responsible for the Capitale-Nationale region.

2 **June 8, 2023** – Flair Airlines inaugurates its new Halifax-Québec City direct flight with Marc-André Bédard, Vice President – Business Development and Technology for YQB; Stéphane Poirier, President and CEO of YQB; Nicholas Duhamel, Manager, Marketing Partnerships and Events with Flair; Garth Lund, Chief Commercial Officer of Flair; and Jean-Yves Duclos, Minister of Health and MNA for Québec City.

3 **May 2, 2023** – First flight of Air France’s second season at YQB.

4 **July 7, 2023** – Flair Airlines inaugurates its new Edmonton-Québec City direct flight with Marc-André Bédard, Vice President – Business Development and Technology for YQB; Nicholas Duhamel, Manager, Marketing Partnerships and Events with Flair; and Deanna Dow, Manager, Air Service Development with Flair.

South Korea arrives at YQB

On September 27, 2023, YQB and Destination Québec cité (DQc) welcomed the first of four Korean Air flights planned as part of an innovative partnership with Korean tour operator Hanjin Travel Co. Ltd. When the first passengers arrived, a whole delegation was on hand to welcome them to Québec City: Bruno Marchand, Mayor of Québec City; Robert Mercure, Director of Destination Québec cité and the beloved Bonhomme Carnaval. This initiative was made possible thanks to the extraordinary collaboration of our partners of the region and the tourism industry.

The Boeing 777-300ER from Incheon International Airport in Seoul, South Korea, landed in Québec City four times between September 27 and October 18, 2023. Thanks to these charter flights, the greater Québec City area was able to welcome almost a thousand additional Korean tourists in the fall. According to data collected on average tourist spending by Koreans in Québec, this partnership likely generated over a million dollars in economic spin-offs for the Québec City region alone.





1 **May 29, 2023** – President and CEO Stéphane Poirier and Destination Québec cité Director Robert Mercure announce a partnership with Korean tour operator Hanjin Travel Co. Ltd. alongside Anna Lee, Managing Director of Destination Canada GSA Korea; Bruno Marchand, Mayor of Québec City; and Caroline Proulx, Minister of Tourism and Minister Responsible for the Lanaudière Region.

2 **September 27, 2023** – YQB and Destination Québec cité, along with Québec City Mayor Bruno Marchand and Bonhomme Carnaval, welcome Korean tourists as they exit the first flight chartered by Hanjin Travel Co. Ltd.

3 **September 27, 2023** – The Korean Air Boeing 777-300ER chartered by Hanjin Travel Co. Ltd. from Incheon International Airport in Seoul, South Korea.

4 **September 27, 2023** – The Korean Air crew meets Bonhomme Carnaval. The crew received flowers, considered a show of respect in Korean culture.

In December, Sunwing added a new weekly direct flight to Cayo Largo, on Cuba's southern coast, to YQB's portfolio of vacation destinations. The airline offers a number of winter flights to 11 sun destinations in Cuba, Mexico, the Dominican Republic, Panama, and Honduras.

Given the success of its direct Québec City-Vancouver summer service, which began in 2022, Air Canada decided to continue its flights to Western Canada through the winter. Passengers can enjoy the comfort of Air Canada's mainline aircraft, a Boeing 737, on one of three flights a week to Vancouver International Airport

(YVR). This route also opens the door to connections with numerous destinations in Asia and Oceania.



1



2



2

1 June 16, 2023 – Air Canada announces that it will continue its YQB-YVR service through the winter with 3 flights a week.

2 December 14, 2023 - Sunwing celebrates its first flight of the season between Québec City and Cayo Largo.



FLYING OUT OF QUÉBEC CITY HAS ITS BENEFITS!

Continuing its 2022 advertising campaign, YQB's positioning as "the smallest of the great airports" kept winning the hearts of travellers in our catchment area in 2023. The campaign, which ran all year long, promoted the advantages of flying out of Québec City and the destinations that are just one direct flight away.

At the start of the year, YQB launched a campaign highlighting connections to Europe. Then, in the summer, it held a contest offering the chance to win a \$15,000 travel credit. An electric minivan, decked out in YQB branding, toured the Québec City area to promote the contest for all 11 days of the Festival d'été de Québec. A radio and social media advertising campaign was also run between July 7 and August 16, 2023, to encourage people in the catchment area (Québec City, Chaudière-Appalaches, Mauricie, Bas-Saint-Laurent, Gaspésie, Côte-Nord, and Saguenay-Lac-Saint-Jean) to enter the contest. The response to the contest was impressive. The travel credit inspired many; over 22,000 entries were received in just six weeks!



August 28, 2023 - The \$15,000 travel credit was awarded to the grand prize winner, Steve Pouliot, who planned to use it for a family trip to Italy and Greece.

In the fall of 2023, YQB launched a larger-scale advertising campaign called “Les Oûi-dire” (Hearsay) to debunk three myths about the airport and encourage people to fly out of Québec City.

1. It’s expensive to fly out of YQB

In addition to the price of the ticket, if you factor in gas, restaurants, parking, and hotel costs alone, it’s quite likely that flying out of Québec City is easier on the wallet than departing from another airport. You also end up saving time and energy by avoiding the fatigue and stress of travel, extra traffic, construction sites, snowstorms, and, above all, the long drive home!

2. There’s nothing to eat

A little hungry before taking your flight? There’s lots to choose from at YQB: pizza, coffee, burgers, sugar pie, salads, croissants, tartare, bagels, nachos, salmon fillets, onion rings, paninis, and more. With a wide range of options for every meal, you’ll be able to satisfy all your cravings.

3. There aren’t direct flights to many destinations

Paris, London, Vancouver, Toronto, Philadelphia, New York, Chicago, Orlando, Varadero, Cancún, Puerto Plata, and so many more: travellers are spoiled for choice when it comes to direct flight destinations!



The “Les Oûi-dire” ads ran on television, radio, outdoor advertising, and social media from September to December 2023, and featured the voice of the late host and comedian Paul Houde.

A special New Year’s Eve commercial ran in the YQB catchment area during the Infoman 2023 and Bye Bye 2023 programs on Radio-Canada, when millions of Quebecers were in front of their TVs.





AN APPEALING CUSTOMER EXPERIENCE

Offering all the features of a large airport with the advantages of a small one extends to more than just the flight options. Throughout the year, the team worked hard to implement new initiatives to make passengers flying out of YQB feel comfortable. It teamed up with Québec personalities and companies to make sure our terminal is welcoming and our services continue to meet passengers' expectations.

The quality of the services offered at YQB was also celebrated following a survey that compared 120 airports worldwide, published in *Protégez-Vous Magazine* on Tuesday, September 12, 2023. YQB placed sixth in the magazine's rankings and first in Canada. The survey data were drawn from a large-scale study conducted by an international group, which collected comments and ratings from nearly 12,000 people who evaluated the airports they visited and the services they received during the flights they took over the previous 12 months.

YQB is continuing its efforts to improve its parking options for travellers and their companions. A new short-term parking area was opened in 2023 to offer

more choices and make life easier for companions. With 93 new spaces at the foot of the control tower facing the terminal, the new short-term parking area is a good option for those who want to take the time to accompany their loved ones into the terminal. In addition, around a hundred spaces were added to the outdoor parking area over the summer. Finally, after focus groups and analyses by signage experts, the parking lot names were simplified. As a result, the signage was changed to facilitate passenger movements.

Additionally, passengers can now enjoy tasty pizzas from the Minute Pizza vending machine in the public area of the terminal, a few steps from the check-in counters and the entrance to the security checkpoint. The vending machine has been running 24/7 since July 2023, allowing passengers to enjoy pizzas that are ready in less than 4 minutes.

The Blaxton bar and restaurant has expanded its seating area at the checkpoint exit. More passengers can now enjoy the attentive service of the Blaxton team.



The new Minute Pizza vending machine in the public area offers freshly baked pizzas.





Self-service lockers on level 1 at headquarters.



New Atikuss vending machine offering products from Québec's First Nations.

In response to passenger demand, self-service smart lockers from Expedibox were installed on level 1 at headquarters. The lockers can be rented online, and a QR code is issued so travellers can use the lockers independently. The fees are charged to the user's credit card based on the locker size and length of the reservation.

To further improve the shopping experience in the terminal, YQB has signed an agreement with Atikuss, a

small Québec-based company whose mission is to pay tribute to the ancestors of Indigenous communities. All their products are created using traditional methods, with a focus on reuse, eliminating waste, and the celebration of ancestral knowledge. A vending machine was installed in the terminal in 2024. It features products from Québec's First Nations, such as moccasins, jewelry, and mittens.



Those who were in the terminal on March 15, 2023, were treated to a unique experience when pianist Steve Barakatt, a Québec City native, performed his piece *Néoréalité* in the event zone. Passengers and staff gathered around a grand piano set up in the terminal to enjoy a spectacular impromptu performance. In collaboration with Destination Québec cité, YQB was lucky enough to welcome the internationally renowned pianist and composer before he took off for New York.

The grand piano, kindly lent by Piano Expert, took up residence near gate 31 after the performance. Ever since, music-loving travellers have been able to play the piano while waiting for their flight.



March 15, 2023 - Performance by renowned pianist, Steve Barakatt, in the terminal.

THE STRENGTH OF THE TEAM

A variety of initiatives were set up in 2023 to make sure YQB remains a safe, enjoyable, and efficient place to work.

For the third year in a row, YQB received the Public Health & Safety Readiness Accreditation from Airports Council International (ACI). In doing so, it demonstrated that YQB is taking all the necessary steps to protect the travelling public and its employees. In previous years, the accreditation focused on biosafety and the measures airports took to keep passengers and employees safe. In 2023, the accreditation focused not only on public health, but also on airports' preparedness for contingencies like the COVID-19 pandemic.

Providing a debris-free airfield is another way of protecting employees and airport operations. Several YQB employees and airport partners got together for the 2023 edition of the traditional FOD walk. The event keeps airport employees aware of airside safety. Participants stationed near the ramps were able to do their part by inspecting their area and picking up stray objects that could cause accidents or damage equipment.

YQB also took part in Canadian Airport Safety Week from September 18 to 22, 2023, to educate the airport community about various safety issues in the workplace. It was an opportunity to share ideas and raise awareness of good safety practices among employees and aviation enthusiasts alike.

YQB is required to carry out security exercises every year to remain prepared for any eventuality and fulfill its obligations to Transport Canada. The 2023 exercise, held on October 5, focused on responding to a drone on airport property. It was organized in collaboration with the SPVQ, NAV Canada, and Transport Canada.



Employers that want to create a safe and healthy workplace need to take care of their employees' physical and mental health. YQB believes that openness and respect are paramount in its workplace, so it took steps to ensure that its employees feel recognized and included all year long.

The YQB recognition committee created many opportunities to have fun with colleagues and celebrate everyone's achievements throughout the year. This culture of recognition was embodied through coffee breaks, happy hours, a summer BBQ, an appreciation day, and a seniority recognition evening.

On the World Day for Cultural Diversity for Dialogue and Development (May 21, 2023), the YQB team celebrated the importance of intercultural dialogue and the richness that comes from the meeting of cultures. At a lunch and learn event, employees had the chance to chat and share a traditional Tunisian meal with Awes Chaieb, an IT technician originally from Tunisia, to learn more about his culture, beliefs, background, and origins.

On October 10, 2023, YQB celebrated World Mental Health Day by organizing two themed breaks where employees could come together and reflect on personal and collective well-being, as well as the small everyday actions that contribute to good mental health. It was an opportunity to gather and emphasize the importance



of being conscious of mental health and its contributing factors while fighting social stigmas.

YQB also encouraged its employees to take care of their physical health by taking part in several challenges in 2023. The organization was represented at the Défi Entreprises 2023, the Tournoi de balle-donnée des entreprises Québec-Lévis, and the 13th Tournoi de hockey des entreprises Québec/Lévis. The health and wellness committee also offered yoga and circuit training throughout the year in the workplace.



PUTTING OURSELVES “SUR LE RADAR”

Many types of businesses operate in the terminal and elsewhere at YQB. In all, more than 2,500 people work on airport property. They each contribute to smooth operations in their own way. Teamwork is the key to outstanding service, and it must be based on healthy communication.

In the summer of 2023, an internal, interdepartmental team was mandated to implement ways of facilitating communication and collaboration between the various members of the airport community, with the goal of improving the employee and passenger experience. The team chose to install a network of screens in the terminal. It also started a newsletter for the entire airport community, where useful, motivating, and entertaining content can be shared.

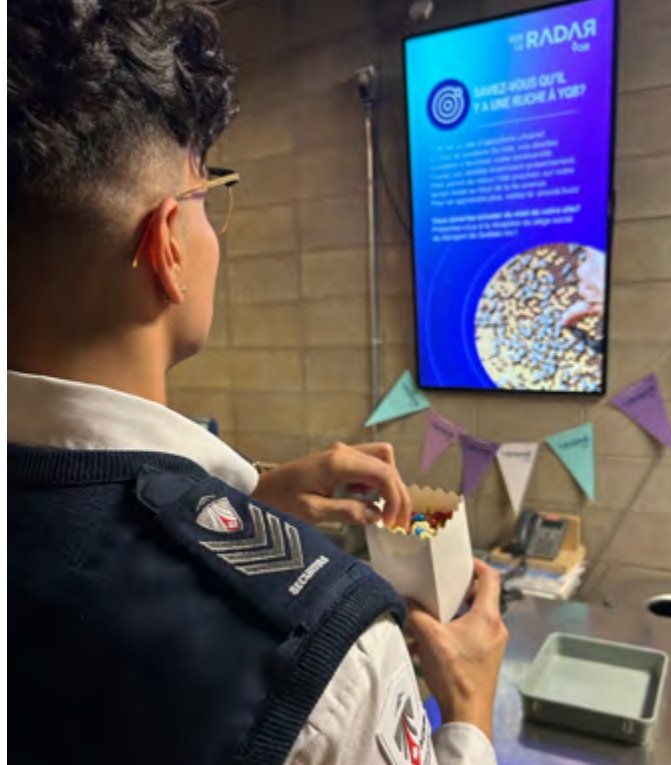
As a result of the project, five screens were installed in targeted employee hallways in the terminal. They are updated weekly with new content to keep the employees in the terminal informed.

As for the newsletter, it is emailed quarterly with content that pertains to all employees on site.

To help the airport community embrace these new communications tools, a separate brand identity was created to distinguish the content of the screens and newsletter. And so, *Sur le Radar* was born.

Sur le Radar is YQB's information source and the communication platform for the airport community.

YQB wants to encourage employee participation; create a space for dialogue; and offer a way to share information about initiatives, day-to-day work, opinions on the communication tool, YQB news, etc.



Sur le Radar was launched on December 7, 2023.

“The launch of *Sur le Radar* was a truly remarkable experience for me. After months of work, I was proud to see the project’s positive impact on employees, to see them stopping in front of the screens, interested in learning more about our team’s efforts. Since the launch, we’ve seen better efficiency in terms of disseminating information and receiving feedback, as well as a keen interest in the content that has been shared. This project has made a real difference when it comes to the involvement of our airport community and I’m delighted to be able to contribute to it.”

Catherine Côté

*Member of the Sur le Radar work team and Manager,
Training and Standards, Aéroport de Québec Inc.*





Joyeux temps des fêtes

Pour le temps des fêtes, nous vous souhaitons une cascade de présents...
... si ce, peu importe leur forme!

Merci de contribuer jour après jour à faire de l'Aéroport international Jean Lesage de Québec (YQB) un endroit de choix.

Puisque même les plus grands cadeaux se trouvent dans les petits plaisirs, toute l'équipe de *Sur le Radar* vous souhaite d'en faire le plein durant les prochaines semaines. Nous espérons que le temps des fêtes vous comblera de bonheur afin de finir l'année en beauté.

Bienvenue dans la toute première infolettre de *Sur le Radar*!

À mettre sur votre radar aujourd'hui :

- [Une offre de stationnements bonifiée](#)
- [Connaissez-vous les points d'information numérique?](#)
- [Hiver en approche, soyez prêts](#)
- [Des moteurs de fiabilité](#)
- [Remerciez nos agents de dégivrage](#)



Une offre de stationnements bonifiée

Bonne nouvelle! Les passagers sont de plus en plus nombreux à profiter de nos stationnements: visiblement nos efforts de promotion fonctionnent. Toute l'équipe YQB fait tout en son pouvoir pour continuellement offrir un bon service aux passagers et leurs accompagnateurs. C'est pourquoi l'offre est constamment bonifiée.



PLUS D'ESPACES

Près de 1000 cases de stationnement ont donc été ajoutées à YQB en un an, dont plusieurs certaines dans le stationnement extérieur. Le stationnement Voyageurs a été aménagé sur la rampe 2 l'hiver dernier et sera conservé comme mesure temporaire pour garder une flexibilité opérationnelle. Un grand merci aux partenaires qui ont pu ajuster leurs opérations pour rendre le tout possible.

SUR LE RADAR
YQB

! LA SAISON HIVERNALE EST ARRIVÉE

Avant chaque dégivrage, n'oubliez pas de :

- Contacter le centre de contrôle des opérations (CCO) au poste 3333;
- Consulter le message Somum envoyé régulièrement, confirmant l'état des valves et des opérations déneigement.

Bonne saison!

SUR LE RADAR
YQB

NOUVEAU STATIONNEMENT COURTE DURÉE

Le chantier au pied de la tour est achevé! YQB est heureux d'avoir officiellement ouvert un nouveau stationnement YQB offrant une nouvelle option aux accompagnateurs de nos passagers.

Avec 93 nouveaux espaces situés à deux pas de l'aérogare, il s'agit d'une bonne option pour ceux qui souhaitent prendre le temps d'accompagner leurs proches jusque dans l'aérogare.

2H MAX
P

SUR LE RADAR
YQB

PAL AIRLINES S'ENVOLE VERS LE PÔLE NORD

Pour une 3e année consécutive, PAL Airlines et YQB s'associent pour faire vivre un moment magique à des enfants en leur offrant un vol vers le pôle Nord pour rendre visite au père Noël le 16 décembre prochain.

Joignez-vous à nous pour leur souhaiter un bon vol!

SUR LE RADAR
YQB

DESTINATION CAYO LARGO AVEC SUNWING

Sunwing et YQB ont célébré le 14 décembre le lancement d'une toute nouvelle liaison directe sans escale entre Québec et Cayo Largo, à Cuba.

Cette liaison sera offerte à raison d'un vol par semaine, tous les jeudis, jusqu'au 18 avril 2024.

Bonne saison!

The content broadcast on the screens and in the *Sur le Radar* newsletter covers a wide range of subjects:

- New developments on site
- YQB news
- Safety and the Safety Management System (SMS)
- Operational announcements
- Content about the organizations on site and their employees
- Opportunities for feedback
- The airport industry



“*Sur le Radar* has exceptional benefits for the members of our airport community. Its content encourages everyone to share information and reinforces a culture of collaboration between companies. As a manager, I’m delighted to hear employees talking about the topics it covers. The ones that highlight successes or give an overview of an employee’s job are my favourites. In addition to facilitating access to information, *Sur le Radar* has strengthened our sense of belonging to our airport and the YQB family as a whole.”

Michel Tétreault

Customer Experience Manager, Air Canada



SOLID FOUNDATIONS

Today, YQB benefits from exemplary infrastructure that is tailored to its market, is comfortable, and above all,

safe, because our teams have dedicated themselves to continued infrastructure maintenance and development.

The YQB Project Management Office is responsible for all infrastructure programs on airport property, among other things. From paving repairs and maintenance to tenants

and transporters service installation and safety equipment additions, there's certainly no shortage of projects! The office works in concert with other teams to maintain and upgrade the airport's civil, electrical, technological, and mechanical infrastructure.

Infrastructure at YQB

A 7.05 km² property

2 runways

- Runway 06-24: 9,000 ft/2,743 m
- Runway 11-29: 5,700 ft/1,737 m

3 aprons made up of aircraft parking areas and taxiways

A 54,081 m² terminal building

5 service buildings totalling 54,102 m²: offices, thermal power plant, fire station and garages, multi-storey parking

12 boarding gates with boarding bridge

5 boarding gates without boarding bridge

3 remote parking stands

With the airport having celebrated its 83rd birthday, some of its structures date back to 1950 and require continuous upgrading.



2023 Projects

In 2023, the Project Management Office team worked on some 20 projects, not counting preliminary design studies. The team's members have wide-ranging expertise in engineering, information technology, and project management, as well as in-depth knowledge of the airport sector.

In the last year, the team delivered large-scale projects as well as various simpler projects, but just as necessary for the smooth running of our operations.

Safe Infrastructure

Every year, the team inspects the airport pavement and maintains the groundside and airside surfaces. In 2023, YQB also began a major overhaul of its airfield facilities.

Rebuilding Threshold 29 and renovating Taxiways Golf and Hotel

In May 2023, the multidisciplinary project team began work on rebuilding the threshold 29 of Runway 11-29 and renovating Taxiways Golf and Hotel.

The team took an innovative step by building a detour road at Threshold 29 for the construction trucks, reducing runway closures. A paving test patch was created on 7^e Avenue de l'Aéroport to assess the paving's performance and test the material. Bonus: the test patch serves as a new driving surface for users of the avenue. Two birds, one stone! Rainy weather in July 2023 caused headaches for the project team, but the Taxiway Golf paving was completed on schedule on July 20, 2023.

Thanks to exemplary collaboration with partners and meticulous planning, the internal audit of the Plan of Construction Operations (PCO) found no instances of non-compliance.

With Threshold 29 and Taxiway Golf completed in 2023, preparations are well underway to resume work on the final phase of the project, the renovation of Taxiway Hotel, in spring 2024.

Transport Canada is supporting the project with a \$10 million grant as part of the Airport Critical Infrastructure Program.





“Being involved in the project to rebuild Threshold 29 and renovate Taxiways Golf and Hotel as a construction manager has been a very rewarding opportunity. I’ve been able to work with a skilled multidisciplinary team and contribute to improving our infrastructure. After months of hard work, the sense of pride that emerges at the sight of the final result is indescribable. I’m grateful to have been able to work on a project of this scale and complexity at the start of my career, and I can’t wait to build on it!”

Marylou Roy-Laroche, CEP

*Project Manager, Planning and Infrastructure,
Aéroport de Québec Inc.*



Building a one-way corridor for international arrivals

YQB has replaced the 1600E access door at the international arrivals exit with a one-way corridor to secure the transition between the restricted and non-restricted areas of the terminal, reducing the risk of security breaches and intruders. The project has also improved the flow of passengers from the customs area and optimized the use of airport security resources.

The team took a number of steps to reduce the risk and complexity of construction work in restricted areas. Coordination meetings were held with stakeholders, including working with Canada Border Services Agency (CBSA) to minimize the impact on airport operations.

Transport Canada subsidized 50% of the project as part of the Airport Critical Infrastructure Program.

Additional services

The YQB team also undertook a number of projects to enhance the customer experience and meet the needs of our passengers, airlines, tenants, and vendors.

Building a new short-term parking area

A new short-term parking area has been built at the foot of the control tower, just steps from the terminal, to provide alternative parking for those who want to take the time to accompany their loved ones into the terminal. The new 93-space parking area opened on December 13, 2023.

Additional surface parking and signage

The Econo surface parking lot has been expanded and reconfigured to create around 100 additional parking spaces for travellers. Signage has also been added and improved to facilitate passenger movement.

Installing and launching new parking access equipment

YQB replaced its parking access equipment in November. The new, state-of-the-art YQB-branded parking terminals, which were put into service on December 1, 2023, will improve the flow of traffic at the entrances and exits thanks in part to their new plate reader.

Two new airlines at YQB

Two new airlines, Flair Airlines and Korean Air, landed at YQB for the first time this year. The teams mobilized for both new arrivals to ensure everything went well.

The ORAT (operational readiness and airport transfer) methodology the organization uses is based on a series of tests and activities that are carried out with all stakeholders to make sure that passenger processes run smoothly. From one ORAT to the next, the goal is always for the airline to be able to operate right from day one as though it has been at YQB for years!



Data structure under construction

In an effort to optimize the use of its assets and extend their useful life while making airport operations more efficient, the YQB team is working to implement an operational intelligence process for real-time data collection and analysis based on the Airport Collaborative Decision Making (A-CDM) principles. Eventually, YQB will be able to gather information from hundreds of systems and equipment to produce key performance indicators that can be shared with airport stakeholders to help guide business decisions. At present, the team has identified some of the key performance indicators related to targeted steps of the airport's operational process, integrating data from security checkpoint activities, and flight and baggage tracking information. Identifying additional key performance indicators, modelling data, and implementing infrastructure to facilitate data access are all scheduled for 2024.

Planning for effective prevention

In an effort to maintain solid foundations and judiciously deploy its human, material, information, and financial resources year after year, the YQB team regularly reassesses its needs, prioritizes, and meticulously plans its projects and investments over a 20-year period.

Master Plan

Maximizing the use of assets while conducting operations safely and in compliance with regulations is a major challenge. With a view to sustainable development and optimal airport management, YQB has drawn up a Master Plan that thoroughly details its development projects over a 20-year period, accounting for the forecast in traffic and the lifespan of the infrastructure. The plan considers the changing needs of airlines, handlers, and passengers, as well as the wear on the facilities over time. For example, the YQB team monitors the condition of its facilities with studies to assess the condition of airport pavement. It also analyzes forecasts for air traffic growth and the peaks that may result. Through simulation exercises, it determines the facilities' capacity to accommodate the number of aircraft and passengers involved in the planned schedules.

Through these predictability efforts, YQB creates a framework for managing infrastructure in order to meet projected demand in the short, medium, and long term.

Capital plan

In parallel, the financial resources required for infrastructure projects that are deemed necessary can be planned out and allocated over time. With the Master Plan in hand, YQB can update its capital plan accordingly. The plan includes the list of projects to be carried out, their estimated cost, and the desired timetable. The goal of this expenditure prioritizing exercise is to prevent YQB from falling into an infrastructure deficit, while ensuring the organization's financial sustainability.

Equipped with a 20-year overview of the expenditures that need to be made, we can anticipate the financial impact of major projects such as expanding the terminal or replacing a baggage area—work that needs to be planned over many years. This allows us to minimize the impact the projects might have on our activities and anticipate our required spending over the entire period. The capital plan is updated annually. It's a team effort that continues throughout the year and requires a great deal of diligence. When a project listed in the capital plan is added to the annual budget cycle, it undergoes a feasibility and opportunity study to verify whether it is still needed. That way, the team can ensure that the project remains aligned with YQB's strategic directions and priorities.

Challenges in the coming years

Over the next few years, YQB will face issues involving wear and tear on its airfield infrastructure, capacity in certain key areas of the terminal and parking areas, equipment additions related to new regulations, real estate development on its property, and a number of projects related to sustainable development.

YQB plans to carry out a runway capacity study and a phasing study for work on Aprons 1, 2, and 3. The team will also work on plans and estimates for reorganizing and expanding the domestic arrivals area.





“Our meticulous approach to planning infrastructure projects comes from close collaboration between all YQB departments, each of which plays a crucial role. By investing in very long-term planning, we ensure not only the company’s financial sustainability, but also our ability to anticipate and respond to future operational challenges. Our aim is to always stay ahead of the pitfalls and make sure that passengers don’t have to deal with the inconveniences caused by an infrastructure deficit. Our work is very rewarding, because every day, we’re striving to shape the airport of the future.”

Marie-Noelle Simard, eng.

*Vice President, Infrastructures,
Aéroport de Québec Inc.*

STRIVING FOR SUSTAINABILITY

YQB's mission and NPO status reflect its determination to have a positive impact on its community. Cognizant of the environmental impact that airport activity can have, the organization is committed to preserving the physical, social, and organizational environments in which it operates, in accordance with the principles of sustainable development, ecosystem protection, and continuous performance improvement. YQB continually strives to ensure that its activities and projects create added value.

Since joining the Airport Carbon Accreditation program in 2016, YQB has made considerable efforts to reduce our environmental footprint. The organization has also reached level 3 (optimization) of the accreditation in terms of management and reduction of GHG emissions in 2020. Thanks to its close collaboration with the partners of the airport site, YQB is continuing its efforts to demonstrate a constant reduction in its greenhouse gas (GHG) emissions.

Incidentally, the organization has purchased its first 100% electric vehicle. The new vehicle was part of a pilot project that was successful enough for YQB to decide to replace 12 vehicles in its fleet with electric vehicles in 2024.

To help increase tree cover in the surrounding areas, YQB donates hundreds of trees to the community each year. On May 27 and 28, 2023, YQB offered 693 tree seedlings from 11 different species to local residents free of charge. In collaboration with the City of L'Ancienne-Lorette, the 19th scout group of L'Ancienne-Lorette distributed tree seedlings and herb seed tags produced by YQB.

In May 2023, two pollinator hotels and a beehive were installed at the airport to actively contribute to the site's biodiversity. The new colony, which may eventually number up to 50,000 bees, will help pollinate the plants at the airport and in the surrounding area.

YQB is doing its part to promote social inclusion in the workplace. The organization is proud to be participating in the Parcours du vivre-ensemble, a new training

and support program that focuses on living together, diversity, equity, and inclusion. The City of Québec and its partners, Laval University and Beneva, launched the initiative in September 2023 to offer organizations awareness and training tools to promote an inclusive workplace where wellness is a priority. As a participating company, YQB will be equipping its employees with the many tools provided by the program to facilitate collaboration and engagement.

YQB has continued its philanthropic involvement with more than 15 non-profit organizations in the region. The airport also provided several packages for charity auctions, offering VIP access to airport facilities and other benefits to support the efforts of organizations such as the Fondation CERVO, the Fondation Réno-Jouets, the Fondation Hôtel-Dieu de Lévis, the Youth in Mind Foundation, the Fondation de l'Orchestre symphonique de Québec, the YWCA Quebec Foundation, and the emerging philanthropists' ball for United Way Centraide. Throughout the year, YQB also contributed to the Make-A-Wish Foundation by offering free parking to many families travelling through YQB.

May 28, 2023 – Hundreds of trees donated in collaboration with the 19th Scout Group of L'Ancienne-Lorette and the City of L'Ancienne-Lorette.





July 12, 2023 – A mural is installed in the terminal in collaboration with the Festival d'été de Québec. It will stay up for five years.



September 3, 2023 – The YQB X Air Transat creative cube during Québec City's Fête Arc-en-ciel.

On behalf of YQB employees, an internal committee proudly presented a cheque for \$6,076.74 to Centraide Québec et Chaudière-Appalaches thanks to the generous donations collected during the 2022 campaign. This donation will be used to support a network of over 200 community organizations that in turn help 250,000 vulnerable people, or nearly 1 in 5 people, in our region.

YQB makes a point of encouraging its employees to volunteer and share their skills and expertise. Once again this year, employees delivered more than 20 baskets of food throughout the city a few days before Christmas as part of the Fondation Les Amis de Samuel's Opération Marchands de Bonheur. In total, over 150 families of underprivileged students from nearly 15 elementary and high schools in the greater Québec City area received generous Christmas gift baskets just in time for the holiday season. Members of our team also helped the organization Vide Ta Sacoche manage inventory and package bags destined for women, youth, people experiencing homelessness, and vulnerable seniors.

For the third year in a row, on December 16, 2023, YQB partnered with PAL Airlines for the "Flight to the North Pole" event. The airline organizes this enchanting event that takes around 20 children on a flight to meet Santa. Congratulations to PAL Airlines, volunteers, and partners for organizing this magical day!

As the gateway for travellers to the greater Québec City area and all of Eastern Québec, it is only natural for YQB to be involved in major events and active organizations to increase opportunities to promote our community.

In 2023, YQB collaborated with community stakeholders by giving them a prominent place in the terminal. A large mural was installed in the customs area to give the City of Lévis a chance to showcase its tourist attractions to our international passengers. As part of the 350th anniversary of the City of L'Ancienne-Lorette, a second mural was placed near the carousel at domestic arrivals to provide our passengers with more information about the festivities and the history of the airport. Lastly, YQB displayed a colourful mural to celebrate the history, lineup, atmosphere, and impressive crowds of the Festival d'été de Québec. It also participated in the 11 days of musical entertainment at the international event.

In addition to the Festival d'été de Québec, YQB helped promote the Festivent de Lévis and the Festival Lorettain in L'Ancienne-Lorette.

To round off the festival season, the airport supported Québec City's Alliance Arc-en-ciel by taking part in the festivities for the 19th edition of the Fête Arc-en-ciel. In collaboration with Air Transat, we invited the public to come and send their love (#quedulove) to the 2SLGBTQ+ communities by leaving their colours and messages

of inclusivity on the YQB X Air Transat creative cube at Place d'Youville.

The Québec City airport is also proud to be associated with Québec City's German Christmas Market, a winter attraction that contributes the city's renown as a top tourist destination. This enchanting Christmas village in the heart of Old Québec showcases local businesses and promotes the Capitale-Nationale region.

As a driver of socio-economic development, YQB continued its partnerships with major organizations in the greater Québec City business community: Québec International, the Jeune Chambre de commerce de Québec (JCCQ) as presenting partner of the Bourse Jeune Entreprise, the Chambre de commerce et d'industrie de Québec (CCIQ) as partner of Les Fidéides, and the Chambre de commerce et d'industrie du Grand Lévis (CCIGL) as partner of the organization's 150th anniversary Gala les Pléiades.

FINANCIAL HIGHLIGHTS



2023 FINANCIAL PERFORMANCE

Aéroport de Québec inc. posted a negative overall result of \$1.2 million for the financial year ending December 31, 2023. Revenues were \$80.3 million, including financial revenues, and operating expenditures were \$81.5 million.

REVENUES

- Revenues derived from airport improvement fees (AIFs) totaled \$25.8 million in 2023, an increase of 43.9% compared to 2022. AIFs are entirely reinvested in airport improvement initiatives, including interest payments on AQI's debt.
- Landing fees and terminal fees generated \$15.8 millions in 2023, an increase of 29.6% compared to 2022.
- Parking, concession, rental, and service revenues were \$28.9 million, an increase of 37.5% compared to 2022.
- Safety and security revenues were \$5.9 million, an increase of 50.8% compared to 2022.
- Financial income is \$3.9 million.
- Overall, revenue increased by 38.8%.

EXPENSES

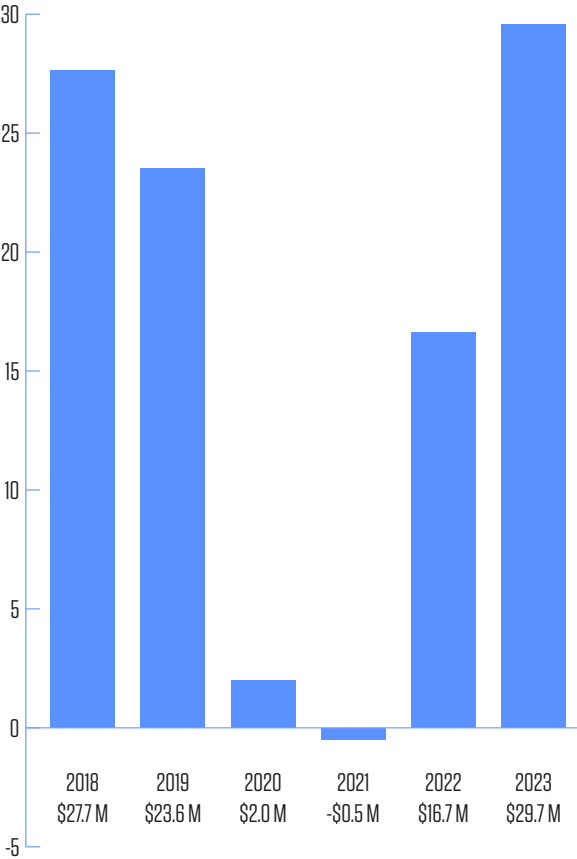
- Salaries and benefits were \$18.3 million.
- The rent paid to Transport Canada was \$4.9 million.
- Aéroport de Québec inc. also procured goods and services worth a total value of \$21.5 million. Of this amount, \$12.4 million went to services and maintenance while \$4.9 million was spent on equipment, supplies and utilities, as well as \$4.2 million for marketing and administration.
- Aéroport de Québec inc. also assumed \$4.7 million related to in lieu of taxes.

EBIDTA

Earnings before interest, taxes, depreciation, and amortization (EBITDA) totalled \$29.7 million in 2023.

Management uses EBITDA as an indicator to assess ongoing operational performance. The Corporation defines EBITDA as the excess of revenues over expenses before financial expenses, taxes, depreciation and amortization.

EBIDTA 2018 to 2023



PROJECTED REVENUES AND EXPENSES (2024-2028) (in millions of dollars)

	2024	2025	2026	2027	2028
Revenues	\$83,547	\$87,274	\$96,390	\$103,527	\$106,110
Expenses*	\$71,208	\$74,138	\$79,339	\$83,671	\$86,237

* Expenses do not include depreciation of fixed assets and amortization of deferred revenues related to tangible fixed assets.

The above forecasts were established based on assumptions. Actual results may differ.

2023 CAPITAL EXPENDITURES (in thousands of dollars)

	Forecast	Actual	Reason
Expenditures	\$36,364	\$18,108	Savings achieved (\$3,249), projects in progress (\$1,346) and certain projects to be completed in 2024 (\$13,661).

AQI's main capital expenditures in 2023 were the following:

- Purchase of a runway broom and a wheel loader;
- Implementation of the regulation on accessible transportation for people with disabilities (ATPDR – Article 11);
- Rehabilitation of Runway 29 threshold, the Hotel and Golf taxiways;
- Replacement of door 1600E in the customs sector at international flight arrivals with a one-way corridor;
- Replacement of parking equipment;
- Replacement of small vehicles;
- Addition of vestibule and replacement of doors at the multi-storey parking.

PLANNED CAPITAL EXPENDITURES (2024-2028)

The following are the main capital expenditures under consideration for 2024-2028:

- 9^e Rue de l'Aéroport - Development of a rain garden and various works;
- Expansion and redevelopment of the domestic flights pier;
- Addition of a loading dock to the terminal to the east;
- Implementation of the Airport collaborative decision making (ACDM);
- Development for Runway end safety area (RESA);
- Construction of boarding station 38, addition of boarding bridges and interface building;
- Development of additional parking spaces;
- Conversion of tanks for three aircraft firefighting service vehicles, two tanks and piping at the fire station for regulatory compliance;
- Airside vehicle electrification (eGSE);
- Installation of Preconditioned Air Units (PCA) on the boarding bridges (31 to 37);
- Honeywell EBI migration (CSC, BDSA2, head office);
- New website;
- Redevelopment of the parking lot exit for travellers;
- Reconfiguration of the Charlie taxiway;
- Reconstruction of runway 11-29 (plans and specifications);
- Rehabilitation of the Golf and Hotel taxiways;
- Repair of aprons (boarding stations);
- Rehabilitation of 6^e Avenue de l'Aéroport between the parking lot exit and 8^e Rue de l'Aéroport;
- Replacement of network switches;
- Replacement of the multi-storey parking lot drains;
- Replacement of lighting fixtures in the terminal - sector 2008;
- Replacement of boarding bridges 27 to 30.

A blue-tinted photograph of an airport terminal. In the foreground, several people are seen from behind, pushing luggage carts. In the background, there are airport signs, including one that says "Aérogare" and another that says "des grands aéroports à traverser!". The overall scene is busy and modern.

INDEPENDENT AUDITOR'S REPORT ON SUMMARY FINANCIAL STATEMENTS

TO THE DIRECTORS OF AÉROPORT DE QUÉBEC INC.

Opinion

The summary financial statements, which comprise the summary statement of financial position as at December 31, 2023, and the summary statements of comprehensive income, changes in net assets and cash flows for the year then ended, and the notes to summary financial statements, are derived from the audited financial statements of Aéroport de Québec inc. for the year ended December 31, 2023.

In our opinion, the accompanying summary financial statements are a fair summary of the audited financial statements, on the basis described in Note 2.

Summary financial statements

The summary financial statements do not contain all the disclosures required by International Financial Reporting Standards (IFRS). Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon.

Audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated February 29, 2024.

Management's responsibility for the summary financial statements

Management is responsible for the preparation of the summary financial statements, on the basis described in Note 2.

Auditor's responsibility

Our responsibility is to express an opinion on whether the summary financial statements are a fair summary of the audited financial statements based on our procedures, which were conducted in accordance with Canadian Auditing Standard (CAS) 810, *Engagements to Report on Summary Financial Statements*.

*Raymond Chabot Grant Thornton LLP*¹

Québec
February 29, 2024

¹ CPA auditor, permis de comptabilité publique n° A119912

SUMMARY STATEMENT OF FINANCIAL POSITION

DECEMBER 31, 2023 (In thousands of Canadian dollars)

	<u>2023</u>	<u>2022</u>
	\$	\$
ASSETS		
Current		
Cash	13,122	7,333
Term deposits	56,477	57,760
Trade and other receivables	9,736	8,415
Grants receivable	7,736	3,663
Notes receivable	117	117
Supplies in inventory	2,332	1,997
Prepaid expenses	854	793
	<u>90,374</u>	<u>80,078</u>
Non-current		
Term deposits	25,000	27,600
Notes receivable	1,158	1,275
Grants receivable	20,771	24,215
Property, plant and equipment	412,713	418,093
	<u>459,642</u>	<u>471,183</u>
	<u>550,016</u>	<u>551,261</u>
LIABILITIES		
Current		
Accounts payable and other liabilities	23,094	17,448
Deferred revenues	1,662	2,611
Loans	5,702	5,606
Lease liability	238	216
	<u>30,696</u>	<u>25,881</u>
Non-current		
Loans	344,574	350,125
Lease liability	151	395
Deferred revenues relating to property, plant and equipment	102,020	101,061
Accounts payable and other liabilities	698	698
Defined benefit pension plan liability	9	9
	<u>447,443</u>	<u>452,288</u>
	<u>478,139</u>	<u>478,169</u>
NET ASSETS		
Accumulated revenues and accumulated other comprehensive income	71,877	73,092
	<u>550,016</u>	<u>551,261</u>

The accompanying notes are an integral part of the summary financial statements.

On behalf of the Board,

Signed:

André Boulanger, ICDD, BAsc, MAsc

Chair of the Board

Signed:

Marjolaine Giasson, CPA, MBA, ASC

Chair of Audit Committee

SUMMARY STATEMENT OF COMPREHENSIVE INCOME

YEAR ENDED DECEMBER 31, 2023 (In thousands of Canadian dollars)

	<u>2023</u>	<u>2022</u>
	\$	\$
Revenues		
Landing and terminal	15,803	12,192
Airport improvement fees	25,803	17,935
Concessions	5,230	3,678
Rentals	4,163	3,824
Parking	8,730	6,085
Services and recoveries	10,520	6,510
Safety and security	5,889	3,905
Other income	225	891
	<u>76,363</u>	<u>55,020</u>
Expenses		
Employee benefit expenses	18,257	13,869
Rent	4,902	3,142
Goods and services	21,546	18,287
In lieu of taxes	4,680	4,860
Amortization of property, plant and equipment and related deferred revenues	17,412	16,528
Loss on write-off of property, plant and equipment	1,680	
	<u>68,477</u>	<u>56,686</u>
Operating results	7,886	(1,666)
Finance income	3,880	1,980
Finance costs	<u>(12,981)</u>	<u>(13,106)</u>
Net income	(1,215)	(12,792)
Other comprehensive income		
Item that will not be reclassified subsequently to net income		
Revaluation of net defined benefit pension plan liability		240
Comprehensive income	<u>(1,215)</u>	<u>(12,552)</u>

The accompanying notes are an integral part of the summary financial statements.

SUMMARY STATEMENT OF CHANGES IN NET ASSETS

YEAR ENDED DECEMBER 31, 2023 (In thousands of Canadian dollars)

	Accumulated revenues	Accumulated other comprehensive income	Total net assets
	\$	\$	\$
Balances as at January 1, 2023	74,970	(1,878)	73,092
Net income	(1,215)		(1,215)
Transfer of cumulative revaluation of net defined benefit pension plan liability	(1,878)	1,878	
Comprehensive income			(1,215)
Balances as at December 31, 2023	71,877		71,877
Balances as at January 1, 2022	87,762	(2,118)	85,644
Net income	(12,792)		(12,792)
Revaluation of net defined benefit pension plan liability		240	240
Comprehensive income			(12,552)
Balances as at December 31, 2022	74,970	(1,878)	73,092

The accompanying notes are an integral part of the summary financial statements.

SUMMARY STATEMENT OF CASH FLOWS

YEAR ENDED DECEMBER 31, 2023 (In thousands of Canadian dollars)

	<u>2023</u>	<u>2022</u>
	\$	\$
OPERATING ACTIVITIES		
Net income	(1,215)	(12,792)
Non-cash items		
Amortization of property, plant and equipment and related deferred revenues	17,412	16,528
Amortization of transaction costs	151	151
Gain on disposal of property, plant and equipment	(211)	(25)
Loss on write-off of property, plant and equipment	1,680	
Loss on settlement of defined benefit pension plan	80	
Net defined benefit pension plan liability	(89)	41
Net change in working capital items	(269)	2,230
Cash flows from operating activities	<u>17,539</u>	<u>6,133</u>
INVESTING ACTIVITIES		
Term deposits	(42,277)	(51,952)
Receipt of term deposits	46,160	63,796
Receipt of notes receivable	117	117
Acquisition of property, plant and equipment	(17,956)	(12,942)
Disposal of property, plant and equipment	215	62
Cash flows from investing activities	<u>(13,741)</u>	<u>(919)</u>
FINANCING ACTIVITIES		
Receipt of grants	4,463	
Repayment of loans	(2,250)	(2,250)
Transaction costs		(1)
Repayment of lease liability	(222)	(116)
Cash flows from financing activities	<u>1,991</u>	<u>(2,367)</u>
Net increase in cash	<u>5,789</u>	<u>2,847</u>
Cash, beginning of year	<u>7,333</u>	<u>4,486</u>
Cash, end of year	<u><u>13,122</u></u>	<u><u>7,333</u></u>

During the year, the Organization paid a total of \$12,865 (\$12,994 in 2022) in interest and received a total of \$3,424 (\$1,393 in 2022) in interest.

The accompanying notes are an integral part of the summary financial statements.

NOTES TO SUMMARY FINANCIAL STATEMENTS

DECEMBER 31, 2023 (In thousands of Canadian dollars)

1 - GOVERNING STATUTES AND NATURE OF OPERATIONS

Aéroport de Québec inc. (AQi) is a not-for-profit corporation without share capital, governed by the *Canada Not-for-profit Corporations Act*, and is exempted under the *Income Tax Act*. The corporation is in charge of managing, operating, maintaining and developing the Aéroport international Jean-Lesage de Québec ("YQB") in accordance with a 60-year ground lease signed on October 27, 2000, with the Canadian government, with an option to renew for another 20 years.

AQi's head office is located at 505 Principale Street, Québec, Quebec, G2G 0J4.

2 - CRITERIA FOR THE PREPARATION OF SUMMARY FINANCIAL STATEMENTS

AQi prepared financial statements in accordance with International Financial Reporting Standards (IFRS). The financial statements were approved by the Board of Directors on February 29, 2024. The independent auditor expressed an unmodified opinion on these financial statements in the independent auditor's report dated February 29, 2024.

AQi elected to prepare summary financial statements using the following criteria:

- (a) Presentation of one set of financial statements, except for the notes to financial statements;
- (b) Use of the same format in the summary financial statements as that used for the financial statements, except for the references to the notes;

- (c) Exclusion of the notes to financial statements, unless their omission prevents users from obtaining a structured view of AQi's economic resources and obligations at a given time or of any changes during a period.

The financial statements are prepared in Canadian dollars, AQi's functional currency.

3 - AVAILABILITY OF THE FINANCIAL STATEMENTS

The audited financial statements are available on AQi's website (www.aeroportdequebec.com) after they have been presented at the annual public meeting.

Additionally, a paper copy of the audited financial statements may be obtained by contacting AQi.

THE BOARD OF DIRECTORS

Aéroport de Québec Inc. (AQi), incorporated by virtue of the *Canada Not-for-profit Corporations Act*, is a not-for-profit corporation without share capital that is exempted under the *Income Tax Act*. It is responsible for managing, operating, maintaining and developing Québec City Jean Lesage International Airport (YQB) and holds a 60-year lease signed on October 27, 2000 with the Government of Canada, with an option to renew for a period of 20 years.

Any surplus of revenues over expenses is reinvested in airport facilities to improve passenger services.

AQi subscribes to all of the accountability and transparency principles in the lease, as well as its own general bylaws.

In addition to the regulatory framework provided by the lease, general bylaws and certificate of continuance, AQi is subject to other rules that allow it to meet its accountability and transparency obligations towards the public. AQi is evaluated annually under Transport Canada's lease monitoring program.

AQi has proven to be in compliance in recent years. All of Transport Canada's remarks have been properly followed up on without exception.

In compliance with Canadian airport administrations' public accountability principles and its own bylaws, AQi has a maximum of three (3) co-opted members named by the Board of Directors, two (2) members named by Her Majesty the King in Right of Canada², one (1) member named by the Government of Québec, five (5) members proposed by the cities of Québec and Lévis, and four (4) members proposed by Québec City and Lévis chambers of commerce. Each party is invited to submit candidates for membership on the Board of Directors based on profiles submitted by the Board.

In all, the Board of Directors is composed of no more than fifteen (15) members, who are known for their individual expertise in accounting, the environment, administration, air transportation management, law, labour organization and engineering.

The Board sets the organization's strategic orientations and oversees their implementation in conjunction with the management team.

In 2023, AQi was supported, depending on appointments and departures, by a team of fifteen (15) external directors, whose varied expertise and skills helped to actively support management in their work.

COMMITTEES

In 2023, four (4) committees helped lay the groundwork for the Board's decisions:

The Nominating, Governance and Human Resources Committee

- The objective of the committee, regarding human resources, is to establish, among other things, a succession plan for management executives and other key employees. In addition, the committee ensures that a general program of remuneration and working conditions of management and staff are established and that they are competitive to attract, retain, inspire and motivate executives and other employees. The objectives of the committee regarding governance aspects are, among others, to recommend to the Board of Directors appropriate governance mechanisms, including evaluating the effectiveness of the Board and recommending the arrival of new directors and the renewal or termination of their mandate.

The Audit Committee

- Its mandate consists of supporting the Board of Directors in its supervisory functions relating to the following
 1. financial information and reporting;
 2. the appointment of the independent external auditor, as well as the latter's obligations and audit activities;
 3. financial controls, including reporting and internal control over financial reporting;
 4. any other responsibilities that the Board of Directors may assign to the committee.

² May be increased to three (3) for each period during which the company receives financial aid from the Government of Canada.

The Planning and Development Committee

- The committee supports the board in its decision-making regarding the long-term planning and development of the organization. It evaluates master plans, strategic orientations and business plans. The committee makes the recommendations as deemed appropriate to the board of directors.

The Risk Management, Security and Environment Committee

- The committee's mandate is to assist the Board of Directors in its responsibilities for monitoring the management of risks, safety and the environment, particularly in relation to the application and compliance with laws and regulations concerning these matters.

The committees act according to the guidelines set out by the Board of Directors and ensure that the organization meets its legal obligations in the day-to-day management of its operations. The Board of Directors is also supported by the Community Advisory Committee, which helps advance various issues related to the improvement of YQB's air services and facilities.

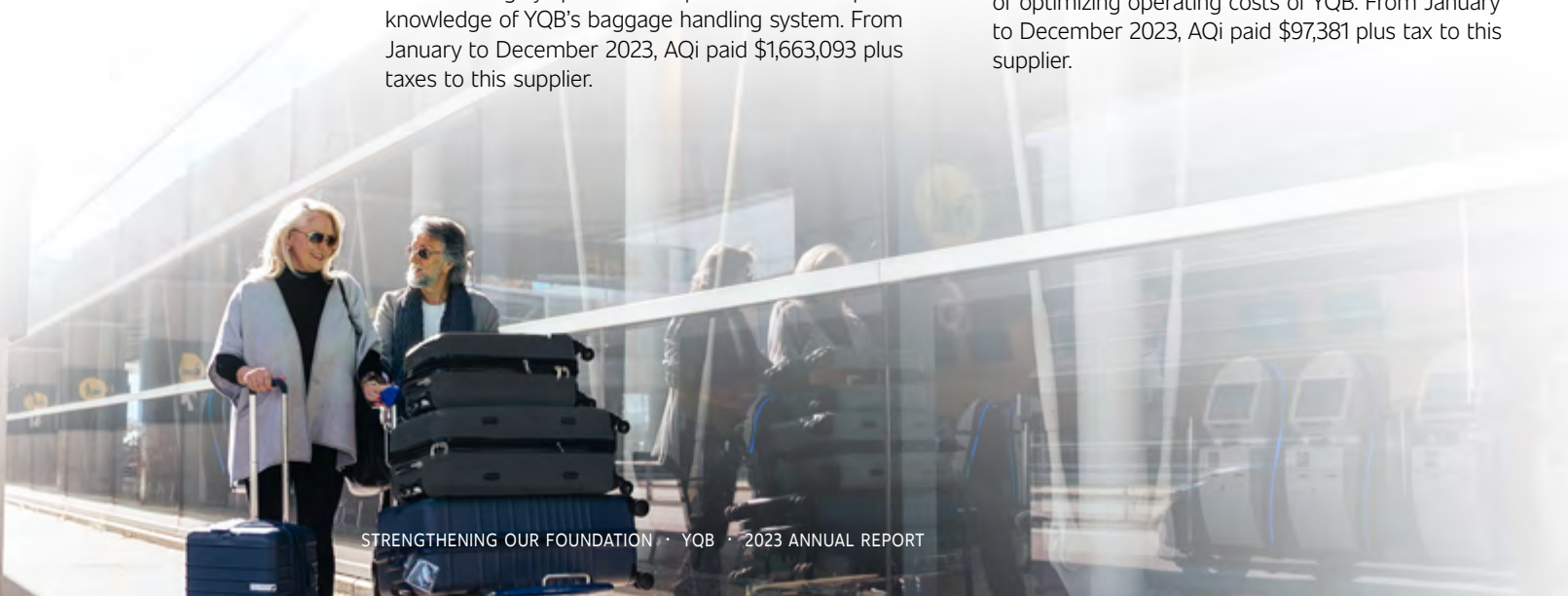
CONFLICT OF INTEREST RULES

In accordance with its lease with Transport Canada, AQi has incorporated conflict of interest rules into its general bylaws. These rules apply to the airport's directors, managers and employees and are designed to avoid any real or apparent conflicts of interest. AQi complied with these rules in 2023, notably by means of an annual declaration of interest signed by each director, as well as update notices published as needed.

CONTRACTS IN EXCESS OF \$117,100 AWARDED WITHOUT PUBLIC CALLS FOR TENDER

- Housekeeping contract awarded to Entretien Capital, authorized by the Board of Directors on May 9, 2012, at hourly rates for an indefinite, cancellable term. The granting of this private contract has been done as part of a project partnership allowing optimal supervision of the quality of services by YQB. From January to December 2023, AQi paid \$1,267,823 plus taxes to this supplier.
- Private contract awarded to Engie Services Inc., now Equans, authorized by the board of directors of July 14, 2022 for the operation of baggage-handling systems according to hourly rates, until December 31, 2025 with two additional option years, due to this firm's highly specialized expertise and in-depth knowledge of YQB's baggage handling system. From January to December 2023, AQi paid \$1,663,093 plus taxes to this supplier.

- Renewal of the Airport Security and Operational Control Center (OCC) Dispatch Services contract with GardaWorld authorized by the Board of Directors until December 31, 2025, on an hourly rate basis. The granting of this private contract was done as part of a partnership project allowing optimal supervision of the quality of services by YQB. From January to December 2022, AQi paid \$3,015,085 plus taxes to this supplier.
- Awarding of a private contract to upgrade the check-in kiosks to EASIER, the manufacturer of the kiosks used by YQB, for \$138,792, authorized by the Board of Directors on April 21, 2022 so that YQB can comply with the Accessible Transportation for Persons with Disabilities Regulations.
- Improvement to the infrastructure, WIFI and telephony service contract of the firm ESI/SBK authorized by the Board of Directors on April 21, 2022 due to YQB's need to add services to the current agreement and the supplier's 24/7 support service offer. From January to December 2023, AQi paid \$138,000 plus taxes to this supplier.
- Extension of the private contract with ThyssenKrupp for the maintenance and service of elevators and escalators until December 31, 2027 authorized by the Board of Directors on July 14, 2022 with the aim of optimizing operating costs of YQB. From January to December 2023, AQi paid \$97,381 plus tax to this supplier.



MANAGEMENT

The President and CEO is responsible for defining and implementing the organization's strategic orientations, objectives and fundamental values. YQB's strategic orientations are based on operating as an economic entity to maximize value for its partners (various governments) and stakeholders (clients, employees, the public). The President and CEO, working under the supervision of the Board of Directors, is also in charge of the financial performance of all the organization's operations and business, including revenues and expenses, financial statements, and monitoring of the chief indicators of customer value.

COMPENSATION OF DIRECTORS

Bylaws have set annual compensation for directors as follows:

Annual fees

Chair	\$65,000*
Vice-chair	\$10,000
Committee chair	\$10,000
Director (except the chair).....	\$15,000*

(*Compensation in effect since April 13, 2023)

Meeting fees

\$900 per board or committee meeting or per half-day of special activities.*

(*Compensation in effect since April 13, 2023)

Number of meetings

Board of Directors	5
Nominating, Governance and Human Resources Committee	5
Audit Committee	5
Risk Management, Security and Environment Committee	5
Planning and Development Committee	5
Annual General Meeting (members)	1
Annual Public Meeting	1
Annual meeting of nominating bodies	1
Community Advisory Committee	2

MANAGEMENT

AQI's senior management received \$1,907,889 in compensation for the fiscal year ending December 31, 2023, including annual bonuses for meeting or exceeding objectives.

REGULAR COMPENSATION

Name	Fees	Meeting fees	Total 2023
André Boulanger**	\$63,585	\$19,350	\$82,935
Lyne Bouchard***	\$23,020	\$17,850	\$40,870
Thom Skinner	\$14,585	\$9,300	\$23,885
Jérôme Jolicoeur	\$14,585	\$9,300	\$23,885
Maxime Laviolette*	\$24,585	\$7,800	\$32,385
Sophie-Emmanuelle Chebin*	\$24,585	\$7,950	\$32,535
Marjolaine Giasson*	\$24,585	\$9,300	\$33,885
Martin Lafrance*	\$24,585	\$9,000	\$33,585
Jean-Yves Germain	\$14,585	\$8,100	\$22,685
Diane Déry	\$14,585	\$8,100	\$22,685
Éric Bergeron	\$14,585	\$7,950	\$22,535
Marthe Lacroix	\$14,585	\$9,300	\$23,885
Pierre Rivard	\$14,585	\$9,300	\$23,885
Vanessa Grondin ¹	\$4,159	\$1,350	\$5,509

* Committee chair

** Board chair

*** Board vice-chair

¹ Vanessa Grondin's term began on September 21, 2023.



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